

## Message Text

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15

ACTION EUR-08

INFO OCT-01 SS-14 ISO-00 NEA-07 ARA-06 EA-06 SP-02 EB-03

L-01 NSC-05 NSCE-00 TRSE-00 INR-05 CIAE-00 /058 W

----- 034645

R 161820Z MAR 76

FM AMEMBASSY LONDON

TO SECSTATE WASHDC 9892

INFO AMEMBASSY TEHRAN

AMEMBASSY ABU DHABI

AMEMBASSY ALGIERS

AMEMBASSY CARACAS

AMEMBASSY DOHA

AMEMBASSY JAKARTA

AMEMBASSY JIDDA

AMEMBASSY KUWAIT

AMEMBASSY TRIPOLI

C O N F I D E N T I A L LONDON 04110

LIMDIS

E.O. 11652: XGDS-1

TAGS: ENRD. IR, UK

SUBJECT: NIOC-CONSORTIUM RELATIONS: A BP VIEW

REF: (A) TEHRAN 2670. (B) LONDON 3781

1. COMPANY SOURCE TELLS US BP CHAIRMAN DAVID STEEL RETURNED FROM IRAN RELAXED AND COMPARATIVELY SATISFIED WITH (AS REPORTED REFTEL A) NIOC WITHDRAWAL OF ULTIMATUM TO COMPANIES, AGREEMENT TO RESUME NEGOTIATIONS STATUS QUO ANTE AND AGREEMENT TO CONTINUE ON INTERIM BASIS PROVISION OF COMPANIES' SHARE OF CAPITAL EXPENDITURES. ACCORDING TO SOURCE. UNDERSTANDING WAS REACHED THAT NO ATTEMPT SHOULD BE MADE TO AGREE ON SPECIFIC FEES, ETC UNTIL DETAILS OF ARAMCO TAKEOVER ARE KNOWN.

2. BP SOURCE STATES THAT HIS COMPANY HAS REACHED TOP  
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LEVEL POLICY DECISION TO TRY AND MAINTAIN CONSORTIUM

APPROACH. HE NOTED THAT TWO WEEKS AGO SHORT TERM STRICTLY COMMERCIAL CONSIDERATIONS DICTATED ACCEPTANCE OF NIOC'S STRAIGHT PURCHASE AND SALE ARRANGEMENT, BUT PREFERENCE FOR MAINTAINING BROADER INDUSTRY APPROACH WITH US COMPANIES INVOLVED WON OUT. SOURCE BELIEVES IRANIANS ALSO PREFER STABILITY OFFERED BY CONTINUANCE OF CONSORTIUM, FOR PERHAPS ANOTHER FIVE YEARS AT ANY RATE.

3 BP SOURCE CONCLUDES THAT DECISION ON FUTURE OF CONSORTIUM THEREFORE RESTS LARGELY WITH ARAMCO PARTNERS, THEIR COMMERCIAL AND POLITICAL CALCULATIONS, AND USG POLICY IF ANY. ON THIS QUESTION ARMSTRONG

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NNN

## Message Attributes

**Automatic Decaptioning:** Z  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** PETROLEUM INDUSTRY, CONTRACTS, GOVERNMENT REACTIONS, NEGOTIATIONS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 16 MAR 1976  
**Decaption Date:** 28 MAY 2004  
**Decaption Note:** 25 YEAR REVIEW  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** ElyME  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1976LONDON04110  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** X1  
**Errors:** N/A  
**Film Number:** D760099-1015  
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**Line Count:** 73  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ACTION EUR  
**Original Classification:** CONFIDENTIAL  
**Original Handling Restrictions:** LIMDIS  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
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**Previous Classification:** CONFIDENTIAL  
**Previous Handling Restrictions:** LIMDIS  
**Reference:** 76 TEHRAN 2670, 76 LONDON 3781  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** ElyME  
**Review Comment:** n/a  
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Margaret P. Grafeld  
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**Review Transfer Date:**  
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**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** NIOC-CONSORTIUM RELATIONS: A BP VIEW  
**TAGS:** ETRD, IR, UK, (STEEL, DAVID)  
**To:** STATE  
**Type:** TE  
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